GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

STARRED QUESTION NO:473
ANSWERED ON:28.04.2005
LOSS TO RAILWAYS IN TRANSPORTATION
Satpathy Shri Tathagata;Verma Shri Ravi Prakash

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Indian Railways has over a period of time lost its share to other competing modes of transport;

(b) if so, the broad details alongwith the reasons therefor;

(c) whether there is a need for a strategic shift in the objectives of the Railways so that it can regain some of the market it has lost to other competing modes of transport; and

(d) if so, the steps taken or proposed to be taken by the Railways to reorient their objectives in order to cope with a more competitive market and to become more user friendly which responds quickly to customer needs?

Answer

MINISTER OF RAILWAYS (SHRI LALU PRASAD)

(a) to (d): A Statement is laid on the Table of the Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 473 BY SHRI RAVI PRAKASH VERMA, AND SHRI TATHAGATA SATPATHY TO BE ANSWERED IN LOK SABHA ON 28.04.2005 REGARDING LOSS TO RAILWAYS IN TRANSPORTATION.

(a): The data with regard to Market Share of the Railways with other competing modes of transport is not notified.

(b): Does not arise.

(c) & (d): Yes, Sir. There is need for improvement of throughput of traffic to increase productivity and efficiency of the Indian Railways. The various steps that are being taken to regain the market share are as under:

1. Preferential traffic schedule for supply of wagons has been rationalized and simplified. Higher priority within the same class will be accorded to customers adopting Engine on Load (EOL) Scheme, Wagon Investment Scheme and Mechanised round-the- clock working etc.

2. Electrification of diesel sidings located on electrified sections will be done at Railway's cost where justified by traffic.

3. Engine-on-Load Scheme, has been further liberalized and made attractive; scheme has also been extended to selected goods shed and for customers not having their own private sidings.

4. Formulation of Terminal Incentive Scheme including cash incentives, aimed at reduction of detention at terminals, in consultation with industry.

5. Upgradation of facilities at freight trains examination centers for qualitative improvement in examination and for providing longer intervals between successive examinations.

6. Electronic Payment Gateway facility has been implemented in January 2005 for Badarpur Thermal Power Station, and the facility will be extended to major customers.

7. Freight customers will be encouraged to develop their private sidings through cost sharing. The cost of a new railway siding shall be shared by the Railway, if the industry comes up with a long-term commitment of traffic, say for 10 years or more of which a cost benefit analysis would be done by the Zonal Railway. The cost of removable superstructure including railway track, sleepers and the overhead electrical equipment shall be borne by the railways. The cost of the sub-structure of the track including land, earthwork, ballast, etc. shall be borne by the customer.

8. Introduction of scheme for development of integrated Warehouse Complexes to provide single window service to customers through Public-Private partnership.

9 . Goods tariff has been made simple, rational and transparent. The rationalsied Goods Tariff shall contain only 8 0 groups of commodities instead of over 4000 commodities at present.

10. Total number of Classes in the Goods Tariff have been reduced from 59 in March' 2002 to 19 w.e.f. April, 2005. 11. The highest class has been reduced in stages from Class 300X in 2001-02 to Class-240 in 2005-06.
12. A new 'Premium Registration Scheme' has been drawn up for those customers who are willing to pay freight at two classes higher than the prescribed class to be accorded higher preference in allotment of rakes within the same class of priority.
13. Two days in a week shall be reserved for allotment of rakes strictly as per the date of registration.

14. A new attractive 'Wagon Investment Scheme' has been formulated assuring guaranteed supply of wagons to customers investing railway wagons. Scheme also envisages freight rebate and higher priority for such customers.